



CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE

A. G. Kawamura, Secretary

September 1, 2010

TO ALL INTERESTED PARTIES:

The California Food and Agricultural Code (Code) authorizes the Secretary of Food and Agriculture to establish an assessment of Milk Stabilization Administrative Fees (Fees) on Grade A market milk and Grade B manufacturing milk sold in commercial trade channels to fund the operations of the Dairy Marketing Branch (DMB). The current rate of assessment for Grade A market milk is one and two tenths cents (\$0.012) per cwt.: two thirds of which is assessed to producers at \$0.008 per cwt. and one third to handlers at \$0.004 per cwt. The current rate of assessment for Grade B manufacturing milk is one and eight tenths cents (\$0.018) per cwt.: two thirds of which is assessed to producers at \$0.012 per cwt. and one third to handlers at \$0.006 per cwt.

At the October 2009 meeting of the Dairy Advisory Committee (DAC), the DMB provided projections of the cash balance in its Milk Stabilization Fund and reported that the Branch had a sufficient balance to suspend collecting the Fees until such time as the balance was drawn down to a three-month reserve. The DAC agreed and the Fees were suspended as of January 1, 2010.

After careful monitoring and review of the cash balance of the Milk Stabilization Fund, it is projected that the Branch's cash balance will soon reach the recommended three-month reserve level, therefore it is recommended that collection of the Fees be reinstated for milk produced on or after October 1, 2010.

A copy of the Departmental invoice statement reflecting the reinstated fees is included on the reverse side of this notice. Anyone who desires a copy of the Order of the Secretary making effective this reinstatement may obtain one by contacting the Dairy Marketing Branch at the number or address listed below.

Sincerely,

Candace Gates  
Acting Branch Chief

*(See Reverse Side)*



STATE OF CALIFORNIA  
DEPARTMENT OF FOOD AND AGRICULTURE  
MILK POOLING BRANCH

ASSESSMENT INVOICE FOR OCTOBER 2010

ASSESSMENT	POUNDS	RATE	DOLLAR VALUE	ASSESSMENT TOTAL
POOL ADMINISTRATION FEE		0.000110		
MARKET MILK ADMINISTRATION FEE				
PRODUCER		0.000080		
HANDLER				
PRODUCT RECEIVED FROM PRODUCER				
LESS BULK PRODUCT SHIPPED OUT				
NET HANDLER FEE		0.000040		
MANUFACTURING MILK ADMIN FEE				
PRODUCER		0.000120		
HANDLER				
PRODUCT RECEIVED FROM PRODUCER				
NET HANDLER FEE		0.000060		
DAIRY FOOD CONTROL FEE				
PRODUCER		0.000010		
HANDLER				
PRODUCT RECEIVED FROM PRODUCER				
LESS BULK PRODUCT SHIPPED OUT				
NET HANDLER FEE		0.000005		
DAIRY COUNCIL FEE				
PRODUCER				
CLASS 1 PRODUCER RECEIPTS		0.000150		
OTHER PRODUCER RECEIPTS		0.000060		
MANUFACTURING PRODUCER RECEIPTS		0.000060		
NET PRODUCER FEE				
HANDLER				
OTHER MILK PROCESSED		0.000060		
NET HANDLER FEE				
MARKET ORDER ASSESSMENT (MARKET)		0.001000		
NET CHARGE				
MARKET ORDER ASSESSMENT (MANUFACTURING)		0.001000		
PRODUCER SECURITY TRUST FUND				
CLASS 3 FAT		0.000000		
CLASS 3 SNF		0.000000		
NET CHARGE				
TOTAL FOR ALL ASSESSMENTS				